Peru's Congress to Probe Deposit of Reserves in BCCI

Reuter

LIMA, Peru, Aug. 6—Peru's Congress prepared today to name a panel to probe alleged wrongdoing linked to the Bank of Credit and Commerce International as former president Alan Garcia denied involvement in the BCCI scandal.

Senate chief Felipe Osterling told local radio that Congress, when it opens its ordinary session Monday, would consider various motions requesting the appointment of a panel to investigate the deposit of millions of dollars of reserves in the BCCI.

Garcia, now a senator, told local journalists Monday night that he was aware that up to $270 million in reserves had been deposited in the bank but that he had nothing to do with placing them there.

"The management of the reserves is the exclusive responsibility of the central reserve bank and its officials," Garcia said in statements broadcast on Radio Programas del Peru. He also denied that he knew anything of bribes said to have been paid to two former central bank officials.

"I can't believe this," Garcia said, referring to the allegation by New York District Attorney Robert Morgenthau that former central bank chief Leonel Figueroa and bank general manager Hector Neyra had accepted $3 million in bribes.

"But if this is true, all the pertinent investigations must be carried out," Garcia said.

ALAN GARCIA
. . . ex-president denies involvement

Osterling said: "We have to name a commission that acts and expands this probe." Another congressional panel is already investigating allegations that Garcia enriched himself while in office, stashing millions of dollars in BCCI bank accounts. Garcia has denied the allegation.

The deposits to BCCI were made when Peru had sharply limited its debt payments and was vulnerable to having its assets seized.

Fernando Olivera, head of the panel investigating Garcia's alleged self-enrichment, called Monday for lifting of Garcia's immunity so the case could be passed to the courts.